

**KAY H. RACKLEY  
CLERK OF THE CIRCUIT COURT  
OF THE  
CITY OF HOPEWELL**

**REPORT ON AUDIT  
FOR THE PERIOD  
OCTOBER 1, 2008 THROUGH MARCH 31, 2010**



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# Commonwealth of Virginia

**Auditor of Public Accounts**

**P.O. Box 1295**

**Richmond, Virginia 23218**

**Walter J. Kucharski, Auditor**

May 17, 2010

The Honorable Kay H. Rackley  
Clerk of the Circuit Court  
City of Hopewell

City Council  
City of Hopewell

Audit Period: October 1, 2008 through March 31, 2010  
Court System: City of Hopewell

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court for this Court System and for the period noted above. Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies.

## Management's Responsibility

Court management has responsibility for establishing and maintaining internal controls and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Deficiencies in internal controls could possibly lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

We noted a matter involving internal control and its operation necessary to bring to management's attention. The matter is discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate this matter provided by the Clerk are included as an enclosure to this report.

We discussed this comment with the Clerk and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:alh

cc: The Honorable W. Allan Sharrett, Chief Judge  
Edwin C. Daley, City Manager  
Robyn M. de Socio, Executive Secretary  
Compensation Board  
Paul F. DeLosh, Director of Judicial Services  
Supreme Court of Virginia  
Director, Admin and Public Records  
Department of Accounts

## COMMENTS TO MANAGEMENT

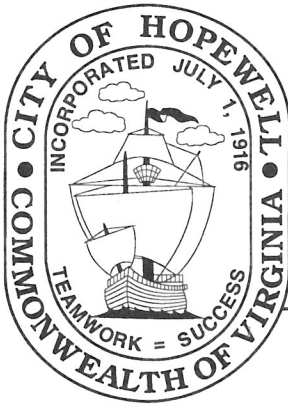
We noted the following matter involving internal control and its operation that has led or could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

### Properly Bill Court Costs

The Clerk is not properly billing and collecting court-appointed attorney, district court fixed misdemeanor, jail admission, or the "Tried in Absence" fees, as required by Sections 19.2-163, 16.1-69.48:1, and 15.2-1613.1 of the Code of Virginia. The auditor tested 20 cases and noted the following errors in six of these cases.

- In two cases, the Clerk over-charged defendants for the following:
  - Court-appointed attorney fees totaling \$1850
  - District court fixed misdemeanor fee totaling \$61
- In five cases, the Clerk did not bill the defendants for the following:
  - Court appointed attorney fees totaling \$360
  - Jail admission fee totaling \$25
  - "Tried in Absence" fee totaling \$20

We recommend the Clerk research all similar cases and make appropriate corrections to case paper. Further, we recommend the Clerk properly bill and collect court costs in accordance with the Code of Virginia.



# The City of Hopewell, Virginia

TAMARA J. WARD, Chief Deputy  
DANA C. DAVIS, Deputy

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May 21, 2010

Walter J. Kucharski  
Auditor of Public Accounts  
P. O. Box 1295  
Richmond, Va 23218-1295

IN Re: Corrective Action Plan

Dear Mr. Kucharski:

In response to my audit, I have made the following corrections. The Court appointed attorney fee of \$1850.00 was a waiver fee granted by the Court and assessed in error. I have deleted it from the financial system and documented it accordingly. The rest of the errors were on district court appeals and in the future these will be looked at more closely since we do not deal with their fees on a regular basis and am checking similar cases to see if appropriate corrections need to be made. Finally, I have assigned another deputy to check every criminal account fee entered as a backup.

Yours truly,

Kay H. Rackley, Clerk